

ABSTRACT OF THE DISCLOSURE

A method and apparatus for managing institutional telephone activity utilizing a computer-based telephony management unit to connect institutional telephones with outside telephone lines. The unit provides institutional users with fully automated, direct dial and collect calling privileges for local, long distance, and international calls. The unit contains a database for storing the calling privileges and restrictions of institutional users, for recording calling transactions made by the users, and for managing user monetary accounts. The unit can record up to 400 hours of conversation in a digital format. The unit provides various administrative capabilities, including user account management, audit trails, transaction reports, centralized management and report capabilities, and detection of fraudulent calling.